6 May 1958

OGC Has Reviewed

METACRANDUM FOR:

Project Contracting Officer

25X1A9a

SUBJECT

: Claim for Loss of Privately Owned Property -

25X1A9a

- 1. The project file, subject as above, is returned herewith, together with Contract No. SA-56, amendments 1 through 5 thereof, and attachments.
- 2. As to substance, it apposes that Government personnel were negligent. As a matter of procedure, we would think that in normal course the proper action for claims of this type would be for the Agency to authorize the contractor to make payment to the employee and to charge this against the contract. We think this is particularly so when, as in this case, the circumstances of the incident which caused the loss were within the knowledge or control of the Agency, and not of the contractor, and where the investigation with respect to the loss is more conveniently a matter for the Agency than for the contractor. The reasoning here is that in legal theory the employee's legal claim is against the employer and the employer, in turn, against the Agency. However, in view of your statement that because the claimant is presently assigned under circumstances where it would be difficult for the contractor to make payment to the individual, we concur in the proposal that the Project reinburse ____ for his loss. 25X1A9a

25X1A9a

Assistant General Counsel

OGC/RHL:pkb Distribution:

Orig. & 1 - Addressee

1 - AQUATONE File ~

1 - Yellow Chrono for

Bldg.

25X1A6a